BLM Cedar City Field Office Site Inspection Report Please File Mpoil045 vg/001/058

March 4, 2003

To:

Case file UTU-72232, 43 CFR 3809 POO

Gemstone Mining Inc., Red Emerald Mine

Case File UTU-79716, 43 CFR 3809 POO Red Emerald Inc., Red Emerald Mine

From:

Ed Ginouves, CCFO Mining Engineer

Subject:

Site Inspection

On March 4, 2003, I made a site inspection of the Red Emerald Mine site. For details on access to the site and additional project activities and background, refer to the June, 2001 and prior inspection reports. The purpose of the inspection was to document the re-ripping and re-seeding of the mine site. I had spoken with Mr. Christensen of Construction and Mining Services (CMS) on the 3rd and he told me that reclamation work would commence that afternoon and continue through the 6th or 7th. The weather was intermittent light snow showers. Snow cover was patchy and up to 6" deep from prior snowstorms last week. The last inspection occurred on January 16, 2003.

When I arrived on site, the reclamation work was underway at the upper pit area. An employee of CMS was using a Caterpillar 5-CM bulldozer with ripper bar to rip topsoiled areas in preparation for re-seeding. Mr. Christensen was re-seeding the ripped areas with a hand-held broadcast seeder. Re-ripping and reseeding of the lower pit area, lower dump and access trails to the lower pit had been completed the previous day. The lower (steeper slopes) of the lower dump had not been re-ripped. The access road to the lower pit had been bermed where it meets the main access road to the upper pit and mine office. Soil moisture was just at the freezing point in the lower pit area and frozen on the upper pit. The ripped areas showed good soil content through the 1' ripping depth. The small dozer was incapable of negotiating slopes steeper than ~10° on contour. Slopes up to 10° where being ripped on contour, slopes from 10° - 20° were being ripped on slope, and slopes >20° were not ripped. All (topsoiled) areas were being seeded with the approved seed mix. I asked Mr. Christensen to save all the tags from the 18 bags of seed obtained for the seeding. Mr. Christensen told me he expected to complete work on the upper pit area that day and hoped to have the main dump done by the 6th.

I obtained photos of the areas completed so far; these are attached.

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by gw.it.as.ex.state.ut.us; Fri, 07 Mar 2003 12:25:38 -0700

To: "Paul Baker" <PAULBAKER@utah.gov>

X-Mailer: Lotus Notes Release 5.0.4a July 24, 2000

Message-ID: <OFC120C225.B5CE0D13-ON87256CE2.0069D950@blm.gov>

From: Ed_Ginouves@ut.blm.gov Date: Fri, 7 Mar 2003 12:21:04 -0700

Subject: Re: Red Emerald

X-MIMETrack: Serialize by Router on LMNI1/BLM/DOI(Release 5.0.11 |July 24, 2002) at 03/07/2003

12:24:04 PM MIME-Version: 1.0

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Content-type: text/plain; charset=us-ascii

Hi Paul

I visited the site on Tuesday. Clint called me yesterday to inform me that the reclamation was completed on Thursday. Soil moisture conditions were good throughout the effort. We did get a couple of inches at the site on Wednesday, but it wasn't muddy.

Attached is my inspection report from Tuesday. I'll re-visit the site sometime next week for more photos.

(See attached file: 72232(3-04-03)SiteInspection.doc)

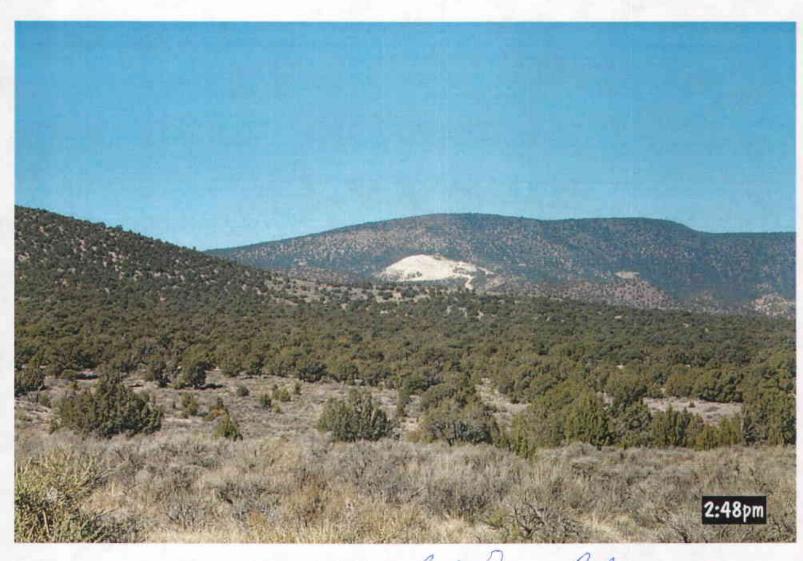
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name="72232(3-04-03)SiteInspection.doc"

Content-Disposition: attachment; filename="72232(3-04-03)SiteInspection.doc"

Content-transfer-encoding: base64



a view of the Red Conerald Property from abover in the fall of 2002. Poor vegetation success.